

# Application for Tribal Property Used for Essential Government Service

(RCW 84.36.010 and WAC 458-16-1000)

## Information and instructions

### Property tax on real property

Real property usually means buildings (improvement) and land. Generally, when the federal government holds property in trust, that property and the improvements on it are exempt from property taxes. When an Indian tribe owns property under a fee patent, the property is subject to property taxes.

### Property tax on personal property

Personal property means movable furnishings or equipment. When a tribe owns and keeps personal property in Indian Country, it is exempt. Indian Country includes trust lands and land within the boundaries of a reservation. The status of reservation land (fee or trust) does not usually affect the taxability of personal property, as long as that land is within Indian Country. If a tribe owns personal property but does not keep it in Indian Country, it may become subject to taxation. Personal property owned by a tribe and used outside of Indian Country in the treaty fishery remains exempt.

### Property tax exemption available

Certain properties that federally recognized tribes own in fee and used exclusively for essential government services are eligible for exemption. Essential government services means services such as tribal administration, public facilities, fire, police, public health, education, sewer, water, environmental and land use, transportation, utility services and economic development.

### Economic development property

Economic development means commercial activities, including those that facilitate the creation or retention of businesses or jobs or that improve the standard of living or economic health of tribal communities. The exemption for economic development properties must be renewed annually. Depending on the location and occupancy of property owned by a federally recognized Indian tribe and used for economic development purposes, it may be subject to leasehold excise tax (LET) or a payment in lieu of leasehold excise tax (PILT).

### Economic development property matrix

Tribal property owned in fee	Inside reservation	Outside reservation
<p><b>Economic development property</b></p> <p>Property owned by the tribe and occupied by the tribe for economic development purposes.</p>	<p>Eligible for exemption.</p> <ul style="list-style-type: none"> <li>Annual renewal required.</li> </ul>	<p>Eligible for exemption.</p> <ul style="list-style-type: none"> <li>PILT agreement is a requirement for exemption.</li> <li>Annual renewal required.</li> </ul>
<p><b>Economic development property</b></p> <p>Property owned by the tribe and <b>occupied by a tenant</b> for economic development purposes.</p>	<p>Eligible for exemption.</p> <ul style="list-style-type: none"> <li>Upon exemption, non-tribal tenant is subject to LET.</li> <li>Annual renewal required.</li> </ul>	<p>Eligible for exemption</p> <ul style="list-style-type: none"> <li>Upon exemption, both tribal and non-tribal <b>tenants are subject to LET.</b></li> <li>Annual renewal required.</li> </ul>

### Application process

Property owned by a federally recognized Indian tribe located in the state and used exclusively to conduct an essential government service is eligible for a property tax exemption. Please select the appropriate application form to apply for the essential government service exemption:

- Form A – Tribal Property used for Non-Economic Development Essential Government Services
- Form B – Tribal Property used for Economic Development Purposes

These forms list the documentation and information needed to demonstrate the property qualifies for exemption. Mail the appropriate form along with the requested documents to:

Department of Revenue  
 Property Tax Division PO Box 47471  
 Olympia WA 98504-7471

A single application can be used to apply for multiple parcels which are part of larger site or campus. The reverse side of the form may be copied and used to apply for additional parcels. Upon receipt, the department may schedule a site visit to the property with a tribal representative.

### Application filing deadline – October 1

The initial application must be filed with the department on or before October 1 of the prior year. For example, to receive exemption of taxes due and payable 2021, the tribe must file an application on or before Oct. 1, 2020.

### Undeveloped property within the reservation boundary

Consolidation and reacquisition of undeveloped real property within or contiguous to a tribe’s reservation resolves questions of jurisdiction and is an essential government service for a tribal government. (Use Form A to apply for this exemption.)

### Leasehold excise tax (LET)

Generally, government owned property (public property) is exempt from property tax under RCW 84.36.010. Leasehold excise tax is a tax on the use of public property by a private party; this tax is in lieu of the property tax. Entities that lease/use public property are subject to leasehold excise tax. Similarly, parcels owned by a federally recognized Indian tribe and occupied by a nontribal entity are eligible for a property tax exemption. Upon exemption, the parcel’s occupant (tribe’s tenant) becomes subject to leasehold excise tax. The Department of Revenue will contact the occupant to determine their responsibility to pay leasehold excise tax. The leasehold excise tax-rate is .1284 of the rent paid for the property. (Use Form B to apply for this exemption.)

## Payment in lieu of leasehold excise tax (PILT)

Parcels owned and occupied by the tribe or tribal entity, located **inside** the reservation boundary, and used for economic development purpose are exempt from property tax. (Use form B to apply for this exemption.)

Parcels owned and occupied by the tribe or tribal entity, located **outside** the reservation boundary, and used for economic development purposes are exempt from property taxes **for the tax year in which the tribe demonstrates that a fully executed PILT agreement is in effect.** (Use form B to apply for this exemption.)

Note: The county and city where the property is located and the tribe must jointly determine the PILT amount through good faith negotiation. In charter counties, the charter will prescribe which agency has the authority to negotiate and contract on behalf of the county. For non- charter counties, the County Legislative Authority (CLA) or their delegate will be the agency that negotiates and contracts on behalf of the county.

## Duty to notify department

The department asks that tribes notify them of any change in the ownership or use of the property that might affect its exempt status within a reasonable amount of time. Upon receipt of change notice, the department will work with the tribe to update or adjust the exemption as necessary.

## Annual application required for economic development property

The exemption provided to tribal properties used for economic development purposes is determined and established for a single tax year. To continue the exempt status, the tribe must annually re-apply and demonstrate that the property continues to qualify. After the initial application is filed and the exemption is established, the department will send the tribe a renewal application that must be filed annually on or before October 1.

## Appeal rights

After reviewing the application, the department, in coordination with the tribe, determines the correct tax status of the property. The department will issue a written determination for the tribe and county assessor. Both the tribe and the county assessor may appeal the determination to the Washington State Board of Tax Appeals. The appeal must be filed within 30 days of the date the determination letter was mailed. To obtain an appeal form, call the board at 360-753-5446 or visit their website at [bta.state.wa.us](http://bta.state.wa.us).

## Questions

If you have questions or concerns regarding the essential government services exemption please contact the Department of Revenue, Property Tax Division at 360-534-1400. Additional information regarding tribal taxation is available on our website at [dor.wa.gov](http://dor.wa.gov).

# Form A: Application for Tribal Property Used for Non-Economic Development Essential Government Services (RCW 84.36.010 and WAC 458-16-1000)

## 1 Tell us about the ownership of the property

Property owner:

Mailing address:

City: State: Zip:

Contact person: Title:

Phone: Email:

## 2 Select the essential government service conducted using the property

- |   |                   |   |
|---|-------------------|---|
| Tribal administration                                       | Public facilities | Education   |
| Access lands for treaty rights                              | Public health     | Environmental and land Use  |
| Protection of environmentally sensitive areas               | Water/Sewer       | Forest lands  |
| Fire/Police   | Utility service   | Undeveloped property located within or contiguous to the reservation boundary |
| Preservation of historically or culturally significant site | Transportation    |   |

## 3 Tell us about the property

If more than one parcel per site, please use additional parcel sheet on back of form.  
I am applying for exemption of:

Real property owned by the Tribe	Personal property owned by the Tribe and located onsite
Parcel/account number:	County:
Parcel/site address:	

This property is located **inside** the reservation boundary and exclusively used for the exempt purpose selected above.  
This property is located **outside** the reservation boundary and exclusively used for the exempt purpose selected above.

## 4 Confirm that the documentation is attached

All applications must include the following documentation:

- Copy of the recorded deed for real property. (For mobile homes, include copy of the title or title elimination.)
- Parcel map and legal description for each parcel claimed.
- Description of service and supporting documentation confirming the parcel use is to conduct the essential government service claimed. (Examples: Program Brochures, Government Resolution, Timber Management Plan, Statement of use, etc.)

## 5 Read and sign this application

Signature and title: Date:

Print name: Phone:

Email:

## Non-Economic Development Essential Government Service Additional Parcel Sheet

Copy this page as needed to apply for additional parcels.

### Select the essential government service conducted using the property

Tribal administration	Public facilities	Education
Access lands for treaty rights	Public health	Environmental and land Use
Protection of environmentally sensitive areas	Water/Sewer	Forest lands
Fire/Police	Utility service	Undeveloped property located within or contiguous to the reservation boundary
Preservation of historically or culturally significant site	Transportation	

**Tell us about the property** If more than one parcel per site, please use additional parcel sheet on back of form.

**I am applying for exemption of:**

Real property owned by the Tribe	Personal property owned by the Tribe and located onsite
Parcel/account number:	County:
Parcel/site address:	

This property is located **inside** the reservation boundary and exclusively used for the exempt purpose selected above.

This property is located **outside** the reservation boundary and exclusively used for the exempt purpose selected above.

### Confirm that the documentation is attached

**All applications must include the following documentation:**

Copy of the recorded deed for real property. (For mobile homes, include copy of the title or title elimination.)

Parcel map and legal description for each parcel claimed.

Description of service and supporting documentation confirming the parcel use is to conduct the essential government service claimed. (Examples: Program Brochures, Government Resolution, Timber Management Plan, Statement of use, etc.)

## Form B: Application for Tribal Property Used for Economic Development Purposes (RCW 84.36.010 and WAC 458-16-1000)

### 1 Tell us about the ownership of the property

Property owner:

Owner UBI/TRN:

Mailing address:

City: State: Zip:

Contact person: Title:

Phone: Email:

### 2 Tell us about the location and occupancy of the property

If more than one parcel per site, please use additional parcel sheet on back of form.

I am applying for:

Real property owned by the Tribe

Personal property owned by the Tribe and located onsite

Parcel/account number: County:

Parcel/site address:

Check all that apply:

Located inside the reservation

Occupied by the tribe or tribal entity

Occupied by a non-tribal entity\*

Located outside the reservation

Occupied by the tribe or tribal entity\*\*

Occupied by a non-tribal entity\*

### 3 Confirm that the documentation is attached

All applications must include the following documentation for each parcel submitted:

Copy of the recorded deed for real property. (For mobile homes, include copy of the title or title elimination.)

Parcel map and legal description for each parcel claimed.

A document/statement, which describes the economic development activity, conducted using this parcel.

\*This parcel's use is for economic development and occupied by a non-tribal entity.

A copy of the lease/rental agreement with complete tenant contact information.

Tenant's Unified Business Identifier (UBI) number:

Tenant's Employment Security Reference Number (ESRN):

\*\*This parcel is located outside the reservation, used for economic development purposes, and occupied the tribe.

A copy of the Payment in lieu of Leasehold Excise tax agreement between tribe and county.

### 4 Read and sign this application

Signature and title: Date:

Print name: Phone:

Email:

### Economic Development Additional Parcel Sheet

Copy this page as needed to apply for additional parcels.

#### Tell us about the location and occupancy of the property

If more than one parcel per site, please use additional parcel sheet on back of form.

**I am applying for:**

Real property owned by the Tribe

Personal property owned by the Tribe and located onsite

Parcel/account number:

County:

Parcel/site address:

**Check all that apply:**

Located inside the reservation

Occupied by the tribe or tribal entity

Occupied by a non-tribal entity\*

Located outside the reservation

Occupied by the tribe or tribal entity\*\*

Occupied by a non-tribal entity\*

#### Confirm that the documentation is attached

All applications must include the following documentation for each parcel submitted:

Copy of the recorded deed for real property. (For mobile homes, include copy of the title or title elimination.)

Parcel map and legal description for each parcel claimed.

A document/statement, which describes the economic development activity, conducted using this parcel.

\*This parcel's use is for economic development and occupied by a non-tribal entity.

A copy of the lease/rental agreement with complete tenant contact information.

Tenant's Unified Business Identifier (UBI) number:

Tenant's Employment Security Reference Number (ESRN):

\*\*This parcel is located outside the reservation, used for economic development purposes, and occupied the tribe.

A copy of the Payment in lieu of Leasehold Excise tax agreement between tribe and county.